

SECTION IV. HOUSING

A. INTRODUCTION

The Housing Section provides an overview of the current and future housing supply and demand, and housing related issues, particularly as relates to housing as an element of the City's economic development strategy as well as the City's fair share of affordable housing identified in the regional housing needs assessment. Information is provided about the City's current population and the social and economic characteristics of its households as well as the needs of this population for housing commensurate with these characteristics. Projections are also included of both population and housing through 2030 with an indication of the trends in household characteristics. Goals and policies together with recommendations are set forth pertaining to the supply and availability of housing within the City of Concord.

The State statutes provide guidance with regard to addressing housing within a community. In RSA 672:1 III-e, the Legislature indicates that, "...establishment of housing which is decent, safe, sanitary and affordable to low and moderate income persons and families is in the best interests of each community and the State of New Hampshire, and serves a vital public need. Opportunity for development of such housing, including so-called cluster development and the development of multi-family structures, should not be prohibited or discouraged by use of municipal planning and zoning powers...".

RSA 674:32 I. specifies that, "municipalities shall afford reasonable opportunities for the siting of manufactured housing, and a municipality shall not exclude manufactured housing completely from the municipality by regulation, zoning ordinance or by any other police power."

The provision of affordable housing as a regional issue is addressed by the Legislature in RSA 36:47 II which requires that, "each regional planning commission shall compile a regional housing needs assessment, which shall include an assessment of the regional need for housing for persons and families of all levels of income. The regional housing needs assessment shall be updated every 5 years and made available to all municipalities in the planning region."

Municipalities are not required to address housing in a master plan, but if they do, RSA 674:2 III (I) notes that a master plan may include, "... a housing section which assesses local housing conditions and projects future housing needs of residents of all levels of income and ages in the municipality and the region as identified in the regional housing needs assessment performed by the regional planning commission pursuant to RSA 36:47, II, and which integrates the availability of human services with other planning undertaken by the community." The human services planning component is not included herein, and will be undertaken as a separate effort.

B. HOUSING GOALS

The overall goal of the Housing Section of the Master Plan is to provide for a diverse housing supply that meets the needs of existing and future residents of the City. The specific housing goals are to:

1. To promote access by all citizens to basic shelter which is decent, safe, and sanitary through the adoption, administration, and regular updating of regulatory codes related to health, building, housing, and life safety.
2. To encourage the maintenance of the existing housing stock and the expansion of the housing supply to meet the housing requirements of all ages, incomes and varied life-styles through a) the adoption, administration, and continuous updating of land development regulations which allow for a variety of housing types and densities, and b) the capital expenditures, redevelopment efforts, grants, and loans by the City which support the upgrading and expansion of the City's housing supply.
3. To promote the maintenance and enhancement of existing and developing residential neighborhoods, and to protect existing and developing residential areas from blighting influences and negative impacts that detract from their livability, quality, and aesthetics.
4. To continue to strive to provide within the City a reasonable and fair share of the affordable housing within the region as identified by the Central New Hampshire Regional Planning Commission (CNHRPC); to assist non-profit and for-profit organizations in preserving and adding to the supply of permanently affordable housing units within the City, and to advocate that all other communities in the region provide their respective fair share of the region's affordable housing.
5. To promote and facilitate housing as part of the City's economic development strategy in providing for residences for the workforce of the City's employers, and in providing certain types of housing as a component of the City's tax base expansion.
6. To promote the energy conservation and efficiency of the housing stock including the use of new technology; the reduction of the average household demand for heating fuel, electricity, and potable water; the reduction of the average household generation rate for sanitary and solid wastes; and the development of residential sites in a manner which minimizes adverse impacts on the environment.

C. CONCORD'S POPULATION & HOUSING IN 2000

1. Overview

In 2000, Concord was the third largest city in New Hampshire with 40,687 residents (Table 1). A relatively large number of these residents (8% or 3,267 residents) live in group quarters (nursing homes, dormitories, correctional institutions, etc).

The remaining 37,420 residents lived in the 16,281 households in Concord (an additional 500 housing units were not occupied when the census was taken) (Table 2). Single people living alone occupied one-third of these households, while another 60% were occupied by families (two or more related people living together). The remaining 8% were occupied by non-family households.

On average, each household had 2.30 persons. Households in outlying areas of the city tended to be larger than those in the denser city center, largely because family households (who averaged 2.95 persons per household) were more likely to be living in outlying areas.

A large number of households in Concord were renters in 2000 – nearly one-half (49%) of the occupied housing units were occupied by renters. These renter households were more common in the city center.

The median age of the city's residents was 37.0 years in 2000. Nearly one-quarter of the city's population was under 18 years old and another 14% were 65 years or older. Concord tended to have fewer young residents (under 18), more young adults (18 - 40), and more elderly (75 years and over) than the State as a whole.

Concord residents were on average better educated than the State as a whole, but earned less per year than the State as a whole. In 2000, nearly 90% of the city's residents (older than 25 years) had graduated high school, and nearly 40% had at least a college degree. The median household income was \$42,447, which was only 86% of the State's median household income.

2. Profiles of Villages/Master Plan Districts

These city-wide statistics hide some of the subtle differences among the city's villages/ Master Plan Districts (refer to Exhibit IV-1). A more detailed understanding of the differences among Master Plan Districts is important when planning for the community's future (refer to Tables IV-1 and IV-2).

The **North/West End** was the Master Planning District with the largest population. In 2000, more than one-quarter of the city's population (or 10,479 residents) lived in this district. Of these, nearly 2,500 lived in group quarters – most of these at the New Hampshire State Prison. The remaining household population lived in 3,737 housing units. Household size averaged 2.14 persons, and family size averaged 2.93 persons. More than half of the households were renters (57%).

Exhibit IV - 1. Villages/Master Plan Districts



The North/West End had relatively few young children and few elderly. This was in part due to the large inmate population (the bulk of whom were between 20 and 40 years old) and in part due to the large number of rental housing units (40% of the households in this district were 1-person households). Interestingly, family households in the North/West End were on average the same size as those citywide.

Concord Heights was the second largest Master Plan District by population, but because of its low group quarters population (residents of dormitories and institutions), it had the largest household population in the city (8,286 household residents). These residents lived in 3,917 households (approximately 150 vacant housing units). Household size averaged 2.12 persons, and family size averaged 2.78 persons – both the lowest of the six planning districts. More than half of the households were renters. Concord Heights residents tend to be older than the city as a whole.

Like the North/West End, Concord Heights' large number of renter households (58% of all households) in large part explains its small household size, as does the large number of 1 person households. Concord Heights had the smallest average family size (2.78 persons) of any of the planning districts.

The **South End** is the third largest Master Plan District with 8,286 residents (500 of these lived in group quarters). These residents lived in 3,311 households (115 vacant housing units). Household size averaged 2.35 persons and family size averaged 2.98 persons. Nearly 25% of the population was under 18 and 13% was 65 years or over. More than half (52%) of the housing units were owner-occupied.

The South End mirrored the city as a whole. While the age profile was slightly younger than the city, the percent of the households that were renters, one-person, family, and non-family matched the city as a whole. South End household/family sizes were slightly larger than the city.

The three smallest planning districts by population – West Concord, Penacook, and East Concord – had similar profiles.

West Concord had 5,949 residents in 2000. All of these residents lived in 2,326 households (70 vacant units). Household size averaged 2.56 persons and family size averaged 3.05 persons. Nearly 28% of the population was under 18, and only 9% was 65 years and over. Nearly two-thirds of the households were owners.

West Concord was significantly different from the denser North/West End and Concord Heights planning districts. West Concord residents were significantly younger (28% under 18 versus 18% in North/West End). Only 9% of the residents were 65 years or over (versus 17% in Concord Heights). Two-thirds of the households were owners (versus 51% citywide) and two-thirds of the households were families (versus 59% citywide). As a result, household and family sizes were larger than the city.

Penacook had 4,244 residents in 2000. All of these residents lived in 1,746 households (75 vacant housing units). Household size averaged 2.43 persons and family size averaged 3.00 persons. Nearly 26% of the residents were under 18 and 10% were 65 years and older. Nearly 58% of the households were owners, and 63% were families. Penacook, like West Concord,

tended to have a larger percentage of families, more owner-occupied housing, and a larger share of younger residents than the city as a whole.

East Concord had 3,184 residents in 2000 (11 of these lived in group quarters). These residents lived in 1,244 households (approximately 35 vacant housing units). Household size averaged 2.55 persons and family size averaged 3.04 persons. Nearly 27% of the residents were under 18, and 18% of the residents were 65 years and over. Three out of every four of the housing units were owner-occupied.

East Concord had the largest percent of housing occupied by owners (73%) and the largest percent of family households (72%) in the city. Large percentages of the population were both under 18 (27% versus 23% for the city) and 65 years and over (18% versus 14% for the city). Average household and family sizes were larger than the city as a whole.

All of the planning districts were more heavily developed within the **Urban Growth Boundary** (see Land Use Section). More than 90% of the population in 2000 lived within this area. Residents within the urban growth boundary tended to be more likely to rent, less likely to be a family, and to have fewer people in each unit.

Table IV - 1. Population by Planning District, 2000

Master Plan District	Total Population					Household Population	Group Quarters Population
	Total	Under 18 yrs	% under 18 yrs	65 yrs and over	% 65 yrs and over		
East Concord	3,184	853	26.8%	573	18.0%	3,173	11
Concord Heights	8,545	1,862	21.8%	1,441	16.9%	8,286	259
South End	8,286	2,055	24.8%	1,098	13.3%	7,772	514
North/West End	10,479	1,892	18.1%	1,483	14.2%	7,996	2,483
West Concord	5,949	1,638	27.5%	526	8.8%	5,949	0
Penacook	4,244	1,095	25.8%	443	10.4%	4,244	0
Total	40,687	9,395	23.1%	5,564	13.7%	37,420	3,267
Inside Urban Growth Boundary	37,920	8,747	23.1%	5,163	13.6%	34,885	3,035
Outside Urban Growth Boundary	2,767	648	23.4%	401	14.5%	2,535	232
Total	40,687	9,395	23.1%	5,564	13.7%	37,420	3,267

Source: 2000 US Census

Table IV - 2. Household Data by Planning District, 2000

Master Plan District	Total Housing Units*	Occupancy Rate	Occupied Housing Units/Households					Average Household Size	Average Family Size
			Total	% owner occupied	% 1-person	% family	% non-family		
East Concord	1,279	97.3%	1,244	73.3%	23.6%	72.3%	4.0%	2.55	3.04
Concord Heights	4,062	96.4%	3,917	41.9%	37.4%	55.0%	7.6%	2.12	2.78
South End	3,426	96.6%	3,311	51.9%	32.0%	60.9%	7.1%	2.35	2.98
North/West End	3,889	96.1%	3,737	42.5%	39.7%	51.2%	9.1%	2.14	2.93
West Concord	2,395	97.1%	2,326	64.6%	22.8%	66.5%	10.7%	2.56	3.05
Penacook	1,823	95.8%	1,746	57.9%	29.0%	63.1%	8.9%	2.43	3.00
Total	16,874	96.5%	16,281	51.4%	32.7%	59.1%	8.2%	2.30	2.95
Inside UGB	15,812	96.6%	15,270	50.8%	33.2%	58.5%	8.3%	2.28	2.94
Outside UGB	1,062	95.2%	1,011	61.6%	24.9%	68.4%	6.6%	2.51	3.02
Total	16,874	96.5%	16,281	51.4%	32.7%	59.1%	8.2%	2.30	2.95

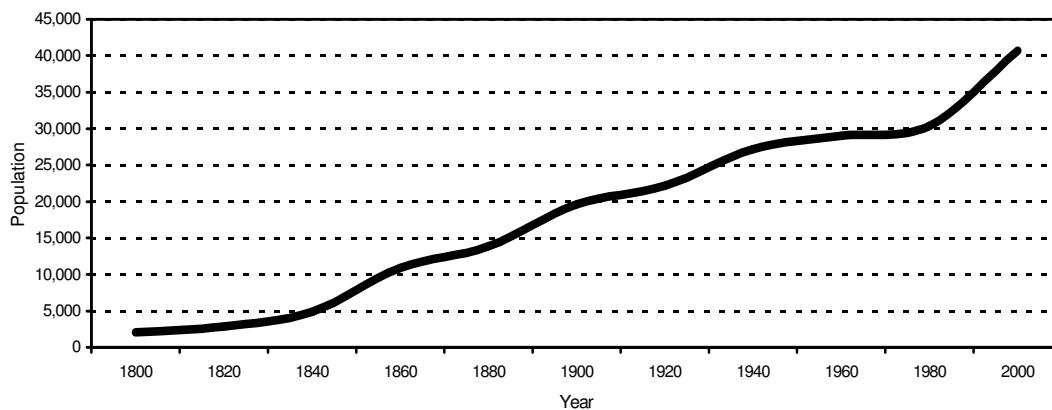
Source: 2000 US Census

* difference from 16,881 due to 7 units not included in school district blocks

D. POPULATION & HOUSING TRENDS

1. Concord's population reached 40,687 residents in 2000.

In the last 50 years, population growth has fluctuated from moderate to rapid. From 1950 to 1980, the city expanded by fewer than 2,500 people. But between 1980 and 2000, the city's population grew by more than 25%, or 10,000 residents (Figure IV-1).

Figure IV-1. Concord Population Growth, 1800 – 2000

Source: US Census

This more recent growth was not unique to Concord. Both Merrimack County and the State grew significantly between 1980 and 2000. Merrimack County grew by 14% and 22% in each of the last two decades, while the State grew by 11% and 25%.

2. Population growth has been much greater in outlying areas versus the urban center

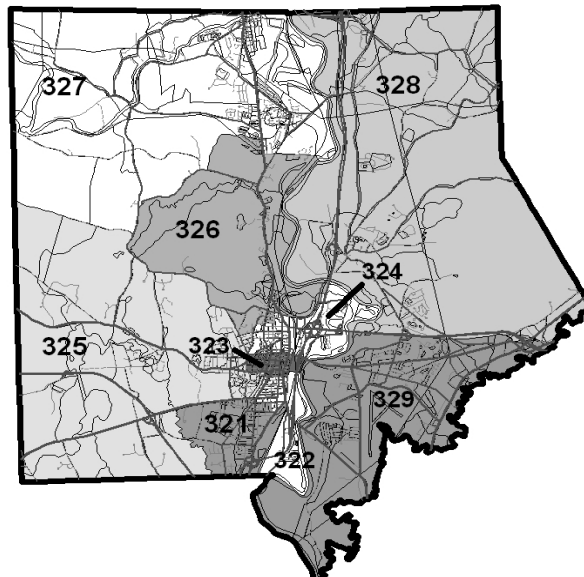
Concord's population growth has not been consistent across the city – the denser urban areas grew very little in the last two decades while outlying areas grew significantly (Table IV-3). Approximately one-third of the population lives in the denser urban area, which includes Census Tracts 321, 322, 323, and 324 (refer to Exhibit IV-2). In 2000, these denser neighborhoods averaged 0.8 acres per person. In the past two decades, the population in this urban area grew by only 0.4% (or 59 residents) from 12,332 to 12,391 residents.

Table IV - 3. Population Growth by Census Tract, 1980 – 2000

Census Tract	1980 Population	2000 Population	% Change 1980 – 2000
321	3,735	4,017	7.6%
322	3,133	3,026	-3.4%
323	1,989	1,928	-3.1%
324	3,475	3,420	-1.6%
325	3,289	3,712	12.9%
326	2,814	4,154	47.6%
327	4,600	8,685	88.8%
328	2,182	4,407	102.0%
329	5,163	7,338	41.6%
Total	30,400	40,687	33.8%

Source: US Census

Exhibit IV - 2. Concord Census Tracts, 1980 – 2000



Outlying areas in Concord (Census Tracts 325 through 329) accounted for approximately two-thirds of the city's residents. Population densities in these outlying areas were significantly less – an average of 4.5 acres per person. Between 1980 and 2000, the population in these areas grew by more than 57% (or 10,248 residents) from 18,048 to 28,296 residents.

3. Concord has a large and growing group quarters population.

Not all residents live in housing units. Cities and towns typically have small populations that live in what the US Census Bureau calls group quarters – for example, college dormitories, correctional institutions, nursing homes, and military barracks.

Concord's group quarters population is relatively large. In 2000, more than 8% of the city's population lived in group quarters (3,267 residents), a rate that is twice the average in Merrimack County and the State as a whole.

In 2000, approximately half of the 3,267 group quarters residents lived in the New Hampshire State Prison (approximately 1,675 residents) (Table IV-4). Another 20% (684 residents) lived in nursing homes, and another 15% lived in other institutions. The remaining 15% of the population lived in college dormitories and other non-institutional quarters.

Finally, the presence of large group quarters populations makes projecting a community's future growth and changes difficult in the best circumstances. Political and managerial decisions have more influence on growth and change of these populations. Projections for group quarters populations depend less on larger-scale trends that affect the rest of the community.

Concord's group quarters population has expanded by nearly 30% in each of the last two decades. Note – excluding Concord's group quarters population, Concord's household population grew by 17% in the 1980s and 11% in the 1990s (versus 18% and 13% respectively when including the group quarters population).

Table IV - 4. Concord Group Quarters Population, 2000

	Number of Residents	Percent of Total
Correctional Institutions	1,675	51%
Nursing Homes	684	21%
Other Institutional	460	14%
Dormitories	246	8%
Other Non-institutional	202	6%

Source: US Census

4. Housing unit growth has been much greater in outlying areas than in the urban center.

By 2000, Concord had a total of 16,881 housing units (refer to Table IV-5). In the past two decades, more than 4,750 housing units were added to the city's housing stock, a growth rate of 40% (the same rate as the county and State).

As with population change, the rate of change varied depending on whether it was located in the

denser urban area or the outlying areas. Between 1980 and 2000, housing units grew significantly in outlying areas while urban areas were relatively stagnant. Housing in urban areas grew by 9% (or 470 housing units) while outlying areas grew by 62% (or 4,285 housing units).

5. Nearly 30% of the city's housing units were built since 1980 and more than 35% of housing was built before 1940.

Concord's housing stock is older than the State's as a whole (refer to Figure IV-2). Older houses tend to be smaller than newer construction (median number of rooms in Concord housing units is 5.0 whereas for the State it is 5.5) and tend not to have as many amenities as newer housing. These units are generally less expensive than newer units. Communities with old housing stocks generally have large renter-occupied housing stocks.

In 2000, the median home value of a housing unit in Concord was \$112,500. This was an increase from \$48,000 in 1980 (\$104,750 after adjusting for inflation using the CPI-northeast urban). Despite this increase, the relative price of the median Concord home compared with the median New Hampshire home has steadily declined from 89% in 1980 to 84% in 2000.

Nearly half of all housing units in Concord were in duplexes or multi-unit structures (refer to Figure IV-3). The other half were single family units and mobile homes. Concord had significantly smaller percentage of single family homes than the State, and significantly more duplexes and multi-unit homes.

Table IV - 5. Population by Census Tract, 2000

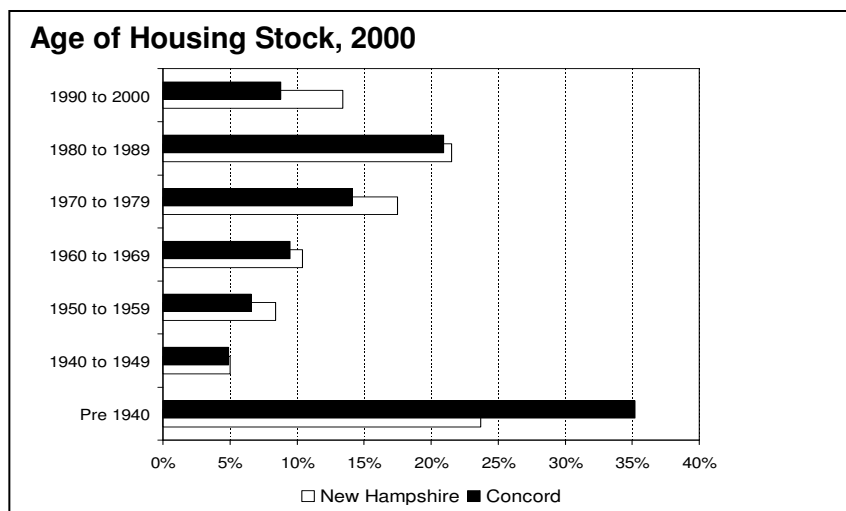
Census Tract	1980 Housing Units	2000 Housing Units	Change 1980 - 2000	% Change 1980 – 2000
321	1,270	1,565	295	23%
322	1,365	1,449	84	6%
323	1,006	1,050	44	4%
324	1,614	1,661	47	3%
325	890	1,178	288	32%
326	1,032	1,052	20	2%
327	1,892	3,572	1,680	89%
328	732	1,779	1,047	143%
329	2,325	3,575	1,250	54%
Total	12,126	16,881	4,755	39%

Source: 2000 US Census

6. Average household sizes have steadily decreased to 2.29 persons per household.

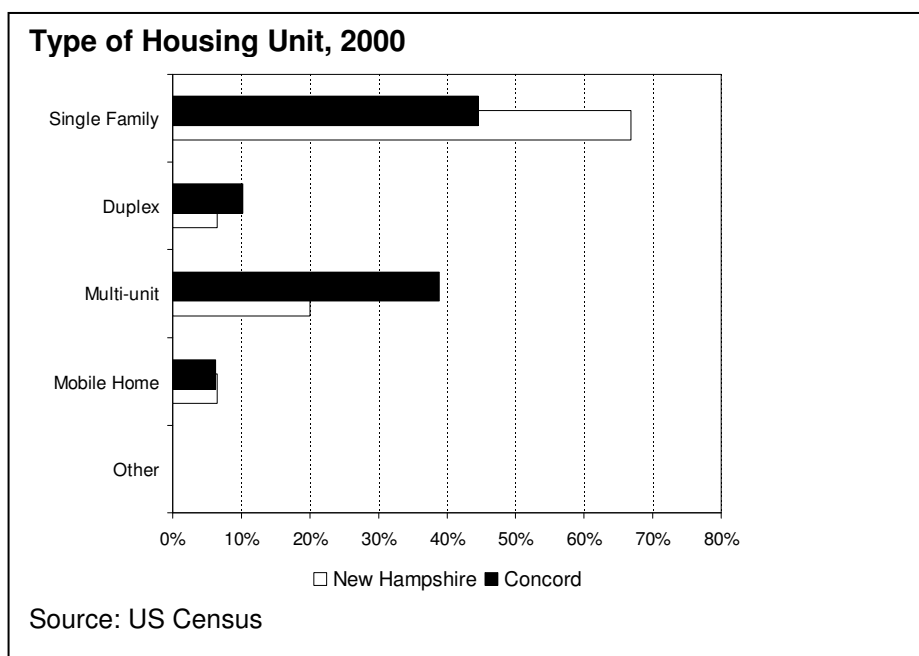
In 1980, Concord households averaged 2.48 persons. By 2000, this number had decreased to 2.29 persons per household (refer to Figure IV-4). These decreasing household sizes follow national trends towards smaller households due to longer life expectancies, more single-parent and one-person households, younger couples postponing childbearing, and fewer children in each family than there were decades ago.

Figure IV - 2.



Source: 2000 US Census

Figure IV - 3.



Source: US Census

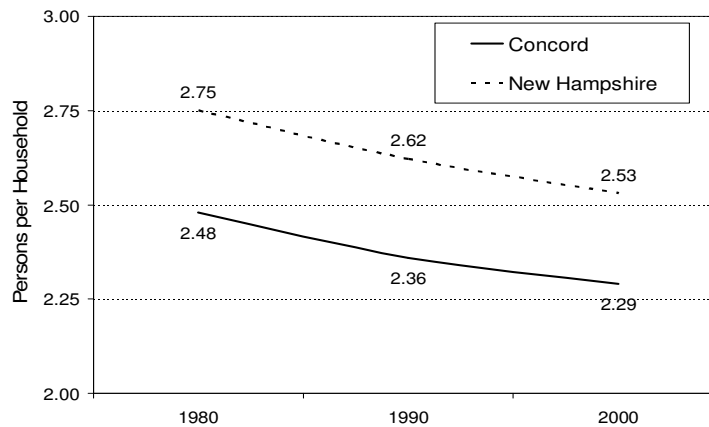
The greatest impact of decreasing household size is on the number of housing units that must be added in order to house the same population. To accommodate Concord's population growth between 1980 and 2000 (approximately 9,000 household residents), nearly 4,750 new housing units had to be added to the city's housing stock.

The decreasing trend of the national average household size for the past several decades will continue to push down Concord's average household size (Figure IV-4). In addition, the large number of rental units in Concord and the aging population will continue to hold the average household size down.

Average household sizes in Concord are smaller than the State as a whole:

Figure IV - 4.

Average Household Size, 1980 – 2000



Source: US Census

- Concord has a larger share of one-person households. In 2000, nearly one-third of all Concord households were one-person households, compared with 25% for the State.
- Concord has a large amount of rental housing, which attracts smaller households than owner-occupied housing. In 2000, more than half of the city's housing units were renter-occupied, and these averaged 1.92 persons per household versus 2.66 persons per household for owner-occupied housing.
- Concord's role as a retirement center attracts a large population of older residents, especially those who are 80 years and over. These residents tend to live in smaller households.
- The city's rental housing stock, role as a regional service center, and relatively low housing costs attract a large population of younger adults. Nearly 17% of the city's households were renters that were under 35 years of age, compared with 12% for the State as a whole.

Households in the outlying areas of Concord were larger on average than those in the more urban areas (2.38 persons per household versus 2.14 persons per household).

7. The land use implications of decreasing household sizes can be dramatic for a city the size of Concord.

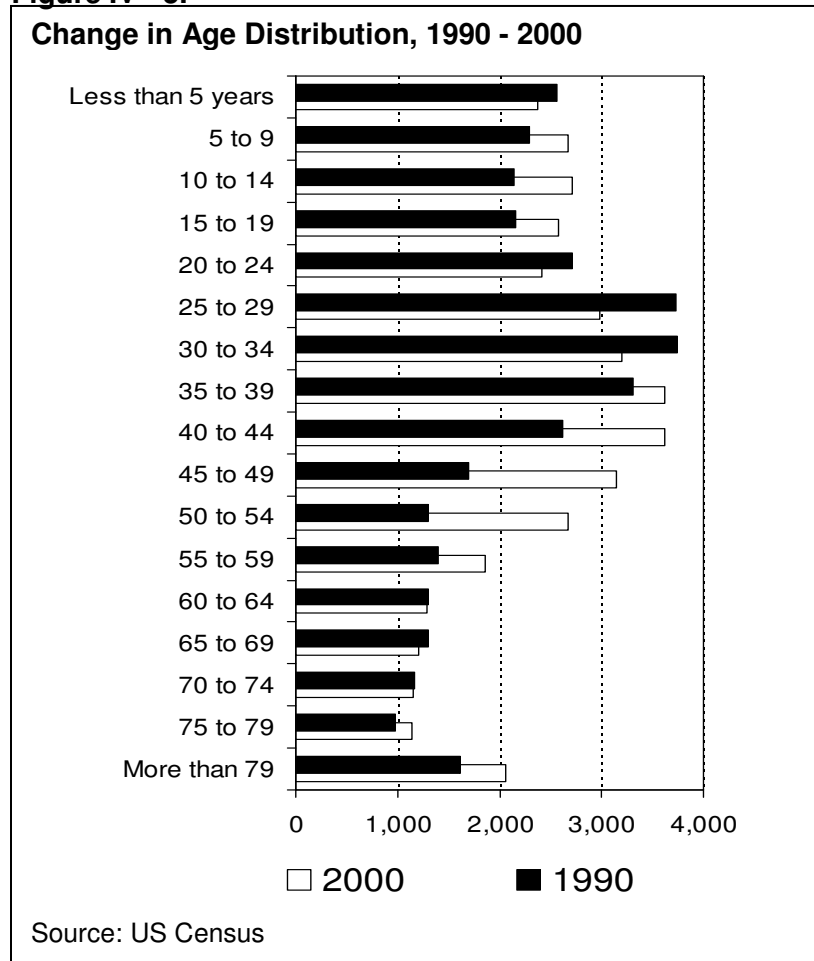
If Concord's average household size were to decrease to 2.18 persons by 2010 (a 5% decline in 10 years), an additional 900+ occupied housing units would have to be built to house the city's 2000 household population of 37,420.

8. Concord residents are growing older.

The city's median age increased from 30.0 years in 1980 to 37.0 in 2000 (this mirrored the state-wide median age increase). The aging of the baby boom generation, coupled with lower birth rates among younger couples and increased life expectancies combine to increase median ages.

The baby boom generation includes those born between 1950 and 1965. In 1990, this generation was between 25 and 40 years old and accounted for approximately one-third of the city's population. By 2000, this generation had moved into their mid-30s and 40s and accounted for one-quarter of the city's population. The aging baby boom generation in particular is going to impact the city's demographics, and by extension, the type and manner in which services are provided to the city's residents.

Figure IV - 5.



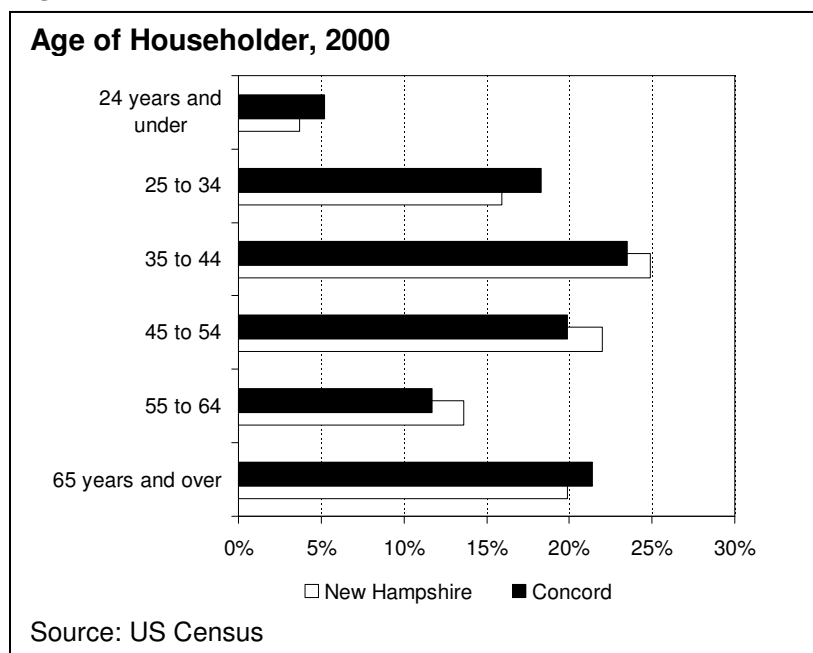
9. Concord had a larger share of young adults and elderly than the State as a whole (refer to Figure IV-6).

This is largely due to the relatively low cost of housing and availability of housing options. Concord has a large number of rental housing units (approximately half of all households), and the median home value is lower than the county and State. In addition, the city's role as a regional employment, service, and health care center attract younger and older households.

Rental housing also creates a more mobile population. Renters move more often than homeowners. Less than half (48%) of Concord residents lived in the same house in 2000 as they did in 1995. This compares with 55% of those statewide that lived in the same location in 1995. More than 10% of Concord residents had moved to Concord from other locations in New Hampshire, and 12% had moved to Concord from another state.

The large population of young adults in Concord also can be attributed to the New Hampshire State Prison, whose inmates are typically between the ages of 20 and 40.

Figure IV - 6.



10. As a result of the aging population, the number of fertile females (those between 18 and 44) is decreasing.

The decrease in this population, coupled with the trend towards young families waiting longer to raise children, will suppress the number of births within the city. In the last fifteen years, the number of births to Concord residents has decreased from between 550 and 600 per year to between 450 and 500 per year (refer to Figure IV-7). This could have an impact on the number of children enrolled in the school system and local recreation programs.

11. School enrollments in the Concord School District peaked at 6,825 students in the late 1990s – their all-time high.

According to the US Census, enrollments in 1970 reached a peak before declining by more than 1,000 students to 5,180 in 1980. The passing baby boom generation explains the majority of this decline. By 1990, enrollments had begun to increase again as the city expanded and the baby boom echo (the children of the baby boom generation) started to show up in the schools. Enrollments reached 5,328 in 1990. By 2000, the number of Concord residents enrolled in school reached 6,825 (refer to Figure IV-8).

Figure IV - 7.

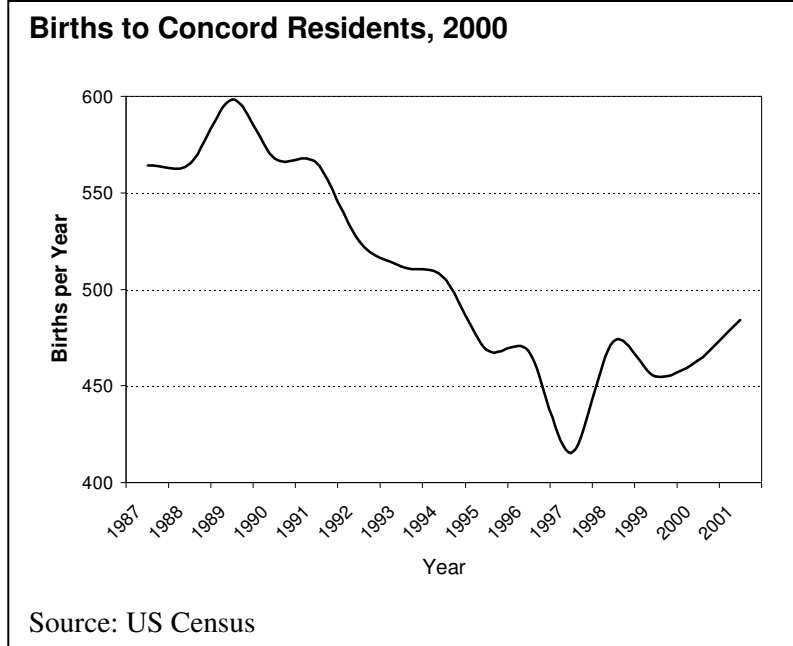
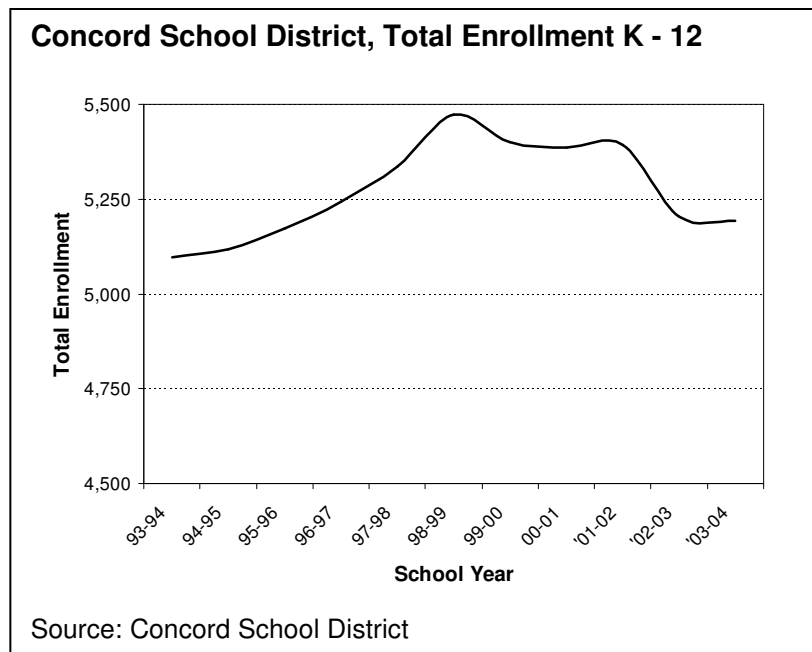


Figure IV - 8.



12. Class size in the upper grades will decrease as the smaller classes in grades K-5 move through the Concord School District.

The Concord School District experienced a slight increase in total K-12 enrollment between 1994-95 and 2003-04. However, while total K-12 enrollment increased slightly, on average, an increase in 9-12 enrollment was mostly offset by a decline in K-5 enrollment. It is important to

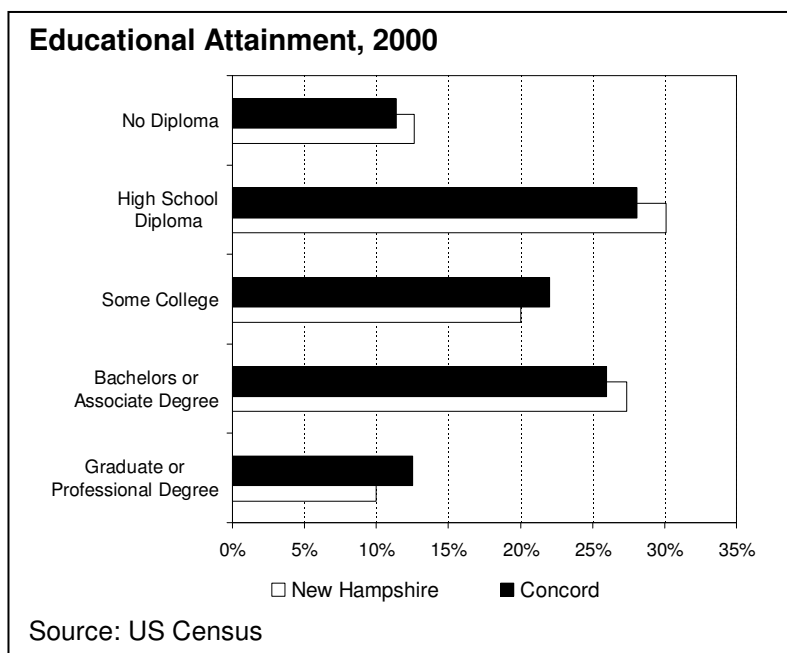
note that the larger class sizes now in grades 9-12 will eventually decline as the smaller class sizes seen in grades K-5 move through the school system.

13. Concord residents are becoming better educated.

Between 1980 and 2000, there was a large increase in the number of residents that are high school graduates – from 77% in 1980 to 89% in 2000. The percentage of residents with a college degree increased from 22% in 1980 to 39% in 2000 (refer to Figure IV-9).

Concord's adult population is well educated. Compared with the State as a whole, Concord residents are more likely to have a high school diploma and an advanced degree. Well-educated residents tend to have higher expectations for their children's education, which could affect the level of service residents' demand from the local school system

Figure IV - 9.



14. Concord household incomes are increasing, but not as quickly as incomes in the State as a whole.

Concord's median household income increased from \$15,955 in 1980 to \$42,447 in 2000 (Table IV-6). Adjusted for inflation, incomes rose more than 20% from \$34,773 to \$42,447. Much of this increase occurred during the rapidly changing economic conditions during the 1980s. In fact, from 1990 to 2000, Concord's median household income decreased by \$600 after adjusting for inflation.

Despite increases in real income between 1980 and 2000, Concord's median household income has been declining relative to the State's median household income. What was once 94% of the State's median household income in 1980 has fallen to 86% in 2000. Median family incomes and per capita incomes are also losing ground relative to the State.

Concord's role as a regional center for government in part explains the decreasing median income ratio between the city and the State. Governmental work, and the large number of nonprofit organizations, often require a higher level of education for salaries that are lower than jobs that require a similar amount of training in the private sector of the economy.

Table IV - 6. Median Income for Concord

	1980	1990	2000
Median Household Income	\$15,933	\$32,733	\$42,447
% of State	93.7%	90.1%	85.8%
Adj. for Inflation*	\$34,773	\$43,083	\$42,447
Median Family Income	\$19,676	\$39,351	\$52,418
% of State	99.8%	94.5%	91.0%
Per Capita Income	\$7,119	\$12,158	\$21,045
% of State	102.2%	95.7%	89.7%

Source: US Census; *using CPI-northeast urban

E. POPULATION & HOUSING PROJECTIONS

Planning Decisions Inc. projected that Concord's total population (household population plus group quarters population) will reach 47,357 by 2015, a growth rate of 16% between 2000 and 2015 (refer to Table IV-7). Concord's total population is projected to reach 53,577 by 2030, a growth rate of 13% between 2015 and 2030. The City Planning Division projected that the total population will reach 56,258 by the time the City reaches buildout, which is the point at which all developable land has been developed under the land use assumptions contained within this Plan. It is estimated that buildout would be approached prior to 2040 and the rate of growth would gradually decline. There is no finite or ultimate population of the City that can be predicted as Concord citizens may change their attitudes toward high rise structures and allow for redevelopment opportunities not contemplated in this Plan. However, it is reasonable to assume that the bulk of the City's growth will have occurred by 2040 and that subsequent growth will be incremental.

Housing unit growth is projected to remain strong through 2015 before slowing moderately through 2030, largely due to the decreasing supply of developable land in the City as it approaches build-out. The amount of land available for development and how that land is able to be developed depends in large part on the whether the land use regulations promulgated by the City are in accord with the land use policies and recommendations of this plan.

Household population and housing units will remain predominantly within the Urban Growth Boundary (over 90%) under the land use and open space assumptions of this Plan (Tables IV-8 & IV-9). The North/West Master Plan District will grow the most and become the City's largest of the six districts in terms of both housing and population largely due to the plans for redevelopment of the Opportunity Corridor to include high density housing. Penacook will grow the least and become the smallest of the six in terms of both housing and population due to the geographical limits of the district.

Table IV - 7. Summary of Population & Housing Projections

	2000	% Change	2015	% Change	2030	% Change	Buildout
Group Quarters Population	3,267	30%	4,250	30%	5,525	20%	6,630
Household Population	37,420	15%	43,107	11%	48,052	3%	49,628
Total Population	40,687	16%	47,357	13%	53,577	5%	56,258
Total Housing Units	16,881	18%	19,881	13%	22,506	4%	23,498

Source: Planning Decisions, Inc & City Planning Division

Table IV - 8. Household Population Projections

	2000			Increases from 2000 to Buildout			Buildout		
Master Plan Districts	Total	Inside UGB	Outside UGB	Total	Inside UGB	Outside UGB	Total	Inside UGB	Outside UGB
East Concord	3,173	2,855	318	2,542	1,967	575	5,715	4,822	893
Concord Heights	8,286	8,182	104	1,907	1,863	44	10,193	10,045	148
South End	7,772	6,895	877	1,198	1,061	137	8,970	7,956	1,014
North/West End	7,996	7,341	655	3,056	2,596	460	11,052	9,937	1,115
West Concord	5,949	5,183	766	2,383	1,736	647	8,332	6,919	1,413
Penacook	4,244	4,197	47	1,123	1,077	46	5,367	5,274	93
Total	37,420	34,653	2,767	12,209	10,300	1,909	49,629	44,953	4,676
	100%	92.6%	7.4%	100%	84.4%	15.6%	100%	90.6%	9.4%

Source: Planning Decisions, Inc & City Planning Division

F. THE ROLE OF HOUSING IN THE CITY'S ECONOMIC DEVELOPMENT STRATEGY

Housing has a dual role in the City's economic development strategy: a direct role as element of tax base expansion, and a supporting role of providing residences for the workforce of the City's employers.

1. Housing as a component of Tax Base Expansion

An update of the Economic Development Strategy was prepared in 1998 with a focus on the City's tax base. Housing issues were addressed within the context of the City's overall

Table IV - 9. Housing Projections

Master Plan Districts	2000			Increases 2000 to Buildout			Buildout		
	Housing Units	Inside UGB	Outside UGB	Housing Units	Inside UGB	Outside UGB	Housing Units	Inside UGB	Outside UGB
East Concord	1,356	1176	180	1,350	1,107	243	2,706	2,283	423
Concord Heights	4,051	4011	40	775	745	30	4826	4756	70
South End	3,364	3034	330	883	733	150	4347	3767	480
North/ West End	3,947	3694	253	1286	1011	275	5233	4705	528
West Concord	2,499	2192	307	1446	1084	362	3945	3276	669
Penacook	1,826	1808	18	715	689	26	2541	2497	44
Total	17,043	15,915	1,128	6,455	5,369	1,086	23,498	21,284	2,214
	100%	93.4%	6.6%	100%	83.2%	16.8%	100%	90.6%	9.4%

Source: Central NH Regional Planning Commission & Concord City Planning Division

economy and the plan had a number of findings relevant to the housing as relates to the City's economy, as follows:

- "Housing affordability" was cited as a "competitive asset" associated with marketing Concord to prospective companies; a "tight labor force availability" was cited as a "development constraint". The report went on to elaborate that "relatively speaking, Concord's housing stock is more affordable than in other New Hampshire cities of similar or greater population."
- "Neighborhood Revitalization needs to be given a long term priority" was a major finding which raised the following issues:
 - The existence of land use conflicts in certain neighborhoods.
 - The encroachment of the Downtown into residential areas.
 - The amount of low income housing relative to the total housing supply.
 - The potential benefits of higher end housing and/or retirement housing.
 - The feasibility or relocating mobile home parks in key commercial locations to areas more appropriate for residential use.
- The report contained the following housing related recommendations:
 - *Initiate a neighborhood revitalization strategy in the older neighborhoods.*
 - *Review the need for affordable housing* (as the City was considered to have 150% of its fair share of the region's affordable housing while other communities in the region needed to provide more, and there could be negative effects on the tax base from the City providing more than its fair share).
 - *Attract high end housing* (as the City was losing this part of the housing market to its neighboring communities and the City's housing supply was "not in balance").
 - *Encourage elderly/retirement housing.*

The City heeded the advice of this report, initiating a neighborhood revitalization program although the program was subsequently terminated by budget concerns in 2006. There was a focus in this program on rehabilitation of the older affordable housing stock in the

neighborhoods. In a City where more than 40% of the housing was built before 1950, this program filled a void that no other agency is addressing as the NH Housing Finance Authority does not provide funding for rehabilitation of existing dwellings.

In effort to attract the high end housing that was escaping to the suburbs, extensive areas of the City were rezoned to single family residential districts and the market did respond with the construction of large, new, single family homes at the upper end of the housing market. The 2001 rezoning also opened all residential districts to housing for the elderly, although the response has been limited with one new market level project and one new rent assisted development for the City's senior citizens.

The City has never closed its doors to affordable housing, despite calls for consideration of growth management ordinances as the communities encircling Concord adopted such restrictions. Concord welcomed and collaborated with the Concord Area Trust for Community Housing (CATCH) and as noted, fostered its own housing rehabilitation program as part of the neighborhood planning program.

While the City did not avail itself of the opportunity to include new Downtown residential development in the redevelopment of the former Sears Block, now known as Capital Commons, it has committed to such housing in the redevelopment of the former Tannery in Penacook which is undergoing conversion to 45 condominium dwelling units.

As part of this Master Plan update, an Economic Development and Tax Base Expansion Plan was prepared by Bonz and Company in 2005 which again looked at housing in the context of the City's overall economy. The Plan recommends that *"...the City should invest in new amenities to create desirable housing development sites, particularly in its core areas. The Opportunity Corridor -- with its proximity to the Merrimack River, downtown Concord, I-93 and retail concentrations -- represents possibly the best location for public investments to create unique and prime development sites. This policy would encourage the development of higher-end, market-rate housing rather than affordable housing. This policy derives its support from the following:*

- *Apparent demand in the higher-tier rental apartment market remains unaddressed (limiting the availability of apartments in the middle tiers of the market), and projections anticipate that demographic and employment growth will focus increasingly on higher income households.*
- *The construction of new high-end apartments and condominiums would provide fiscal gains and meet market demand through private rather than scarce public sector resources.*

The City's Economic Development Advisory Committee (EDAC) endorsed this Plan, noting that high-end residential development and multi-family residential development were the 5th and 7th highest priorities for the most fiscally productive forms of new development for the City to pursue in terms of tax base expansion.

2. Workforce Housing

The 2005 Economic Development and Tax Base Expansion Plan did not find a pressing need to address workforce housing, noting that workforce housing is "most pertinent in relation to workers in viable industries [and] in Concord, these industries employ highly skilled and well-

compensated workers". The plan went on to indicate that "growth in these industries also relies on the availability of administrative, sales, support, and maintenance staff" but that any concern over workforce housing has not "constrained business growth...even in retail categories, where substantial growth continues despite relatively low wage levels". Workforce housing was viewed as a regional issue which "might well take on greater urgency over the next ten years" but the Plan cautioned that "proactive efforts to address this issue might simply ...address another community's work force housing issues while failing to address Concord's." The Plan recommends that the City "assume a role of regional leadership" focusing on "regionally coordinated housing goals, policies and regulatory schemes".

In July 2006, the Greater Concord Chamber of Commerce (GCCC) released a report of its Workforce Housing Committee which focused on housing for employees of local area businesses and industries. While the term "workforce housing" was not defined in the report, the implication was that it differed from affordable housing in that it was not subsidized but was a part of the market that was not being adequately served. The report advocated the creation of a City Housing Commission as a City advisory committee; contained suggestions for modifications to the City's Land Use Regulations in regard to the encouragement of housing; advocated the creation of a redevelopment authority; and suggested the creation of advocacy groups to foster regional cooperation and action on the issue of workforce housing.

Subsequent to the receipt of the GCCC report, the City Council voted to establish a Municipal Housing Commission, indicating that it is the policy of the City to encourage "a diverse housing supply so that persons ... of all ages and incomes may reside in ... affordable housing within the community", and that such housing should be "provided in a variety of architectural styles and densities". The Commission was set up as an advisory committee, charged with being an advocate for housing as well as a resource for information on housing. The appointment of the Municipal Housing Commission in 2007 in response to the Chamber's advocacy for the same fulfills the earlier prediction that workforce housing might become an issue of greater urgency to be addressed at both the local and regional levels.

G. AFFORDABLE HOUSING

1. Definitions

According to the US Department of Housing and Urban Development (HUD), housing is affordable if monthly shelter costs (including taxes, insurance, and utilities) do not exceed one-third of an individual's or family's income. Affordable housing is that which is decent, safe, and sanitary.

For renters, affordable housing is defined to be for low and moderate income households earning less than eighty (80) percent of the area's median income with rents below the Fair Market Rent levels established by HUD.

For home buyers, affordable housing is for families or individuals whose income is insufficient to qualify for a conventional or FHA mortgage for either a median priced home or a modestly priced home within the market area.

A modestly priced home is one priced such that twenty five (25) percent of all homes in the market area are below this value and seventy five (75) percent above this value. While median priced housing is often used to determine affordability, it is reasonable to assume that many

buyers, particularly first time home buyers, would seek homes below the median price. For this reason, the Census Bureau focuses on the ability of families to afford a modestly priced home as well as a median priced home.

2. Affordable Housing Supply

The "Directory of Assisted Housing" prepared by the New Hampshire Housing Finance Authority, as updated through April of 2007, indicated that there are 1278 rent assisted units in Concord. These rent assisted units represent 7.1% of all housing units in the City in 2005 and 16.2% of the occupied rental housing units in 2000. Rental assisted units are provided through a number of organizations the largest of which are the Concord Housing Authority with 266 public housing units, and CATCH with 227 units including Friedman Court II which is under construction.

The rent assisted units are divided among those for the elderly, for families, for a mix of family and elderly, as well as those for persons with special needs. In Concord, the 1278 rental assisted units are divided as follows:

- 566 units for the elderly
- 634 units for families
- 51 units for families and elderly
- 27 special needs units

Rental assistance is also provided to individuals and families through the Section 8 tenant voucher program which provides assistance to 183 households in Concord. As a measure of demand for affordable rental units, the waiting list for Section 8 tenant vouchers has 311 households as of the spring of 2007.

The NHHFA also provides below market rate single family mortgages targeted for first time home buyers. The NHHFA approves loans for both new and existing homes and for condominiums.

3. Regional Distribution of Assisted Rental Housing

The NH Housing Finance Authority's Directory of Assisted Housing lists individual projects by community and type of project, grouped by county. Merrimack County has 2385 assisted units comprised of 1227 units of elderly, 1031 units for families, 80 for elderly or families, and 47 for special needs.

In 2005, Concord had 29% of all of the housing in Merrimack County but has more than 53% of the assisted housing. Respectively, Concord's proportions of the Merrimack County totals are as follows: 46% of the elderly housing, 61% of the family housing, 63% of the elderly/family housing, and 57% of the special needs housing. Twelve of the 27 communities have no assisted housing. Table 10 displays information relative to assisted housing units in Merrimack County.

The aforementioned Economic Development and Tax Base Expansion Plan prepared in 2005 focuses on the need for regional attention to affordable housing. The report notes that unilateral efforts by Concord to address this issue *"might simply attract larger numbers of lower- and moderate income tenants from throughout southern and central New Hampshire. Such tenants will not necessarily work in Concord; such solutions may address another community's work*

force housing issues while failing to address Concord's. Planning solutions should address the issue as a regional issue.

The report continues on to indicate that "...all growing communities must monitor housing conditions. In Concord itself, ... housing costs force many households into overcrowded -- and in some cases substandard -- living conditions. Much of this involves an issue of social policy rather than of economic development policy. Nonetheless, at some point affordable housing may emerge as an economic development constraint. From an economic development perspective, the major barrier to action stems from the general recognition that affordable housing presents a regional rather than a local issue (and individual communities typically resist rather than promote efforts to create affordable housing). In facing this barrier, the City -- as a regional economic center -- should assume a role of regional leadership. Without setting forth specific agendas, this role might involve:

- Initiation of regional discussions,*
- Appointment of a regional task force,*
- Creation of regionally coordinated housing goals, policies and regulatory schemes (e.g., regional transfer of development rights, density bonus mechanisms, etc.) and*
- Initiation of intergovernmental discussions regarding the impacts of various policies on land costs and affordable housing."*

4. Regional Assessment of Affordable Housing Needs

The last regional assessment was prepared in 2000. It provides 1998 data on the number of households by community in the region with 80% of median income, the theoretical share of the region's affordable housing that the community should have, the credits towards the regional share based on numbers of multi-family units and manufactured homes in the community, and an assignment of a future planning goal to achieve the regional fair share. There is a general assumption that multi-family and manufactured units are affordable, and the report notes that some communities discourage both, which creates a barrier to affordable housing.

Concord was identified as having 6,751 households with 80% of median income; and was assigned a fair share of 6,152 affordable housing units, and given a credit for 8,849 existing multi-family units and manufactured homes. Concord had no future goal for achieving a fair share as it exceeded the identified fair share. Of the 21 towns in the Central New Hampshire Region, nine towns other than Concord were deemed to have met their fair share of affordable, but 11 had not met their fair share including Concord's immediate neighbors of Canterbury, Loudon, Hopkinton, Webster, and Bow.

Notably, all of the municipalities with which Concord shares a boundary have adopted growth management ordinances, generally restricting the number of building permits issued to residential development each year. Some of these ordinances are fairly recent while others have been in place for many years, and the trend has spilled over to the next tier of neighboring communities including Chichester, Epsom, Henniker, and Hillsborough.

In accordance with the requirements of RSA 36:47 II, an updated regional housing needs assessment should be prepared in order to establish an objective means to measure the regional housing needs and Concord's reasonable fair share of responsibility for the same. To that end, NH Housing Finance Authority should allocate some of its funding for affordable housing to the rehabilitation of existing housing stock, which would be of assistance to

communities like Concord with a large older housing stock, much of which is affordable but which is also in need of very basic maintenance and improvements.

Table IV - 10. Assisted Housing in Merrimack County Communities

Community	Assisted Housing Units ¹					Total ² Housing units	Assisted Units as a % of Total Units
	Total Assisted Units	Elderly	Family	Elderly / family	Special needs		
Concord	1278	566	634	51	27	17889	7.1
Allenstown	81	60	9	12		2073	3.9
Andover	0					1121	0
Boscawen	73	24	32		17	1399	5.2
Bow	78	78				2678	1.8
Bradford	0					848	0
Canterbury	15	15				972	1.5
Chichester	0					968	0
Danbury	0					670	0
Dunbarton	0					1003	0
Epsom	50	50				1860	2.7
Franklin	315	151	144	17	3	3901	8.1
Henniker	77	40	37			1835	4.2
Hill	0					486	0
Hooksett	167	70	97			4946	3.4
Hopkinton	30	30				2351	1.3
Loudon	0					1946	0
Newbury	0					1555	0
New London	32	32				2244	1.4
Northfield	36	36				2044	1.8
Pembroke	54		54			2959	1.8
Pittsfield	64	40	24			1766	3.6
Salisbury	0					588	0
Sutton	0					980	0
Warner	35	35				1349	2.6
Webster	0					776	0
Wilmot	0					610	0
Merrimack County Totals	2385	1227	1031	80	47	61817	3.9

¹ *Directory of Assisted Housing*; NH Housing Finance Authority, 2007

² *Current Estimates & Trends in NH's Housing Supply*; NH Office of Energy & Planning, 2005

H. HOUSING POLICIES & RECOMMENDATIONS

1. Housing Policies

Housing policies are statements which form the framework for developing and implementing the Housing Section of the Master Plan.

- a. Encourage routine updates of the Health, Building, Housing and Life Safety Codes in order to incorporate new technologies and practices as well as changes in the standard Health, Building, Housing and Life Safety Codes that respond to evolving energy and resource conservation practices; to address handicapped accessibility issues; to require all new development to conform with the Health, Building, Housing and Life Safety Codes; and to systematically redress code deficiencies in existing housing.
- b. Continue to support efforts to create as well as rehabilitate low and moderate income housing; to assist both non-profit and for-profit organizations in providing permanently affordable housing; and to continue to participate in the Community Development Block Grant Program and any other similar grant and loan programs for the establishment and rehabilitation of affordable housing units for all segments of the City's low and moderate income population including, but not limited to, first time home buyers, the working poor, families in crisis and transition, single heads of households, the elderly, the physically and mentally handicapped, and the homeless and destitute.
- c. Promote the re-establishment of a regular inspection program for rental multifamily housing designed to insure compliance with Life Safety and Health Codes.
- d. Promote a broad range of housing types and densities within the Urban Growth Boundary including conventional and cluster single family housing, duplexes, townhouses, multifamily dwellings, congregate dwellings, group homes or other residential institutions; and to allow for a variety of options for rental as well as ownership of the same, including condominiums and cooperatives.
- e. Support rural residential development outside the Urban Growth Boundary by requiring it to occur in a cluster development format as a means of protecting open space and reducing the cost of sprawl.
- f. Encourage the appropriate mixture of residential and nonresidential uses as well as the introduction of market rate housing in both Downtown Concord and Penacook, and within the Opportunity Corridor.
- g. Support the adaptive reuse of older buildings for residential use, and to discourage the conversion of residential buildings to nonresidential uses except where residential uses are not otherwise permitted.
- h. Prevent the intrusion of inappropriate non-residential uses into residential neighborhoods. and to protect neighborhoods from negative influences of adjacent non-residential uses, such as noise, light, traffic, and visual blight through regulation as well as the retention or installation of buffers between non-residential and residential uses.
- i. Promote the regular updating of the impact fee system to assist the City in meeting the fiscal impacts of new housing on City services.

- j. Continue to meet the City's fair share of the affordable housing needs within the region as well as to support efforts to encourage other communities in the region to provide their respective fair share of the region's affordable housing needs.
- k. Encourage the maintenance and expansion of existing mobile home parks where such are located outside of the regulatory flood plain, and the relocation of those parks that are presently located in the regulatory flood plain.
- l. Evaluate each tax deeded property, whether vacant or containing existing residential structure(s), to determine its suitability for conversion to, or redevelopment as, permanently affordable housing.
- m. Maintain and enforce land use regulatory provisions which prohibit new residential development in the floodplains and floodways, on steep erodible slopes, shorelands, or wetlands, and to cooperate with State and federal regulatory agencies to protect residential areas from exposure to risk from toxic, explosive or other hazardous materials.

2. Recommendations

- a. Reinstitute the Neighborhood Planning Program with its focus on rehabilitation of existing housing

The City embarked on a Neighborhood Planning Program in 2001 but it was terminated in 2006. The area of the South End surrounding Rumford School, which came to be referred to as the Abbott Downing Neighborhood, was the focus of the first neighborhood planning project which resulted in the preparation of a neighborhood plan, the establishment of a neighborhood organization, a coordinated effort by the City for the improvement of infrastructure, installation of traffic calming and pedestrian safety measures, and enhancement of the streetscape, and most notably the provision of grants and loans for housing rehabilitation which resulted in forty-seven dwelling units in 29 residential structures that were improved or rehabbed.

A second neighborhood planning project was in the North End between White Park and North Main Street, an effort which was nearing completion when the program came to an end. Once again, grants and loans were provided for housing rehabilitation, and renovation work was conducted proceeding on 29 dwelling units. Other such efforts had been envisioned for the Heights and Penacook.

No other housing organization is addressing the rehabilitation of existing housing in Concord with the exception of the CATCH affordable condominium conversion program, which has only produced a small number of units. The primary reason for this is that the NH Housing Finance Authority will not fund such efforts, preferring to concentrate exclusively on new housing units. With the extensive inventory of existing housing stock over 50 years old, the City should renew its efforts to implement neighborhood planning program with a focus on rehabilitation of existing housing.

- b. Re-institute a rental housing inspection program

In the late 1980's, the City had pursued a rental housing inspection program aimed at regular inspection of all rental units in the City. At present the inspections now being performed are done so on a complaint basis. With the extensive inventory of rental housing in the City, a comprehensive, proactive housing inspection program would be an important step in achieving the goal of ensuring access by all citizens to basic shelter which is decent, safe, and sanitary

- c. Maximize the inclusion of housing in City redevelopment projects in the Downtowns of Concord and Penacook as well as in the Opportunity Corridor

The City's recent venture into the redevelopment of the former tannery in Penacook for residential condominiums is the first time the City has included housing as an element of a municipal redevelopment project since the Firehouse Block project in 1980. More of this type of direct action by the City will not only add to the housing supply but will support the redevelopment goals for the Downtowns and the Opportunity Corridor as set forth in the Land Use Section.

- d. Assist the Central New Hampshire Regional Planning Commission in updating the regional housing needs assessment

In accordance with the requirements of RSA 36:47 II, the preparation of an updated regional housing needs assessment is essential to the establishment of an objective measurement of the regional housing needs and Concord's reasonable fair share of responsibility for the same. The City should request that the CNHRPC complete such an update and offer its assistance in that effort. The City should also request that the NH Housing Finance Authority allocate some of its funding for affordable housing to the rehabilitation of existing housing stock, which would be of assistance to communities like Concord with a large older housing stock, much of which is affordable but which is also in need of very basic maintenance and improvements.

I. SUPPORTING STUDIES

Affordable Housing Needs Assessment for the Central New Hampshire Region – Year 2000 Update, Central New Hampshire Regional Planning Commission, May 11, 2000.

City of Concord Master Plan Year 2010 Update, Concord Planning Board & Concord Planning Department, Concord, NH; December 15, 1993.

Concord New Hampshire Planning Study Report, Community Planning Services for the City Planning Board, Concord, NH; September, 27, 1974.

Current Estimates and Trends in New Hampshire's Housing Supply Update :2005, NH Office of Energy and Planning; November 2006

Directory of Assisted Housing, NH Housing Finance Authority, April 17, 2007

Economic Development and Tax Base Expansion Plan for the City of Concord, NH, prepared by Bonz and Company, Inc., 2005

Economic Development Strategy and Implementation Plan for the City of Concord, NH, RKG Associates; Durham NH; 1998.

Growth and Change: an Analysis of Concord, NH, prepared by Planning Decisions Inc., 2004.

Housing and Community Development Plan - City of Concord, Community Development Office, City of Concord, NH, adopted December 2004.

Housing Needs, City Planning Board, Concord, New Hampshire; 1972.

Ordinance #2664 to Establish a Municipal Housing Commission, City of Concord, February 12, 2007.

Recommendations to the Concord City Council and Planning Board relative to the creation of Workforce Housing in this Community, Greater Concord Chamber of Commerce Task Force, not dated.